

WATER LOSS ACCOUNTING ACT

2020 GENERAL SESSION

STATE OF UTAH

LONG TITLE**General Description:**

This bill addresses data related to water including water losses.

Highlighted Provisions:

This bill:

- ▶ addresses sunset provisions;
- ▶ enacts the Water Loss Accounting Act, including:
 - defining terms;
 - granting rulemaking authority;
 - providing for a technical advisory committee;
 - requiring water loss accounting reports; and
 - providing for technical assistance; and
- ▶ makes technical amendments.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2021:

- ▶ to Department of Natural Resources - Division of Water Resources, as a one-time appropriation:
 - from General Fund, \$1,350,000
- ▶ to DNR Pass-through, as a one-time appropriation:
 - from General Fund, \$150,000
- ▶ to Department of Natural Resources - Division of Water Resources:
 - from General Fund, as an ongoing appropriation \$300,000
 - from General Fund, one-time (\$300,000)

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:**

63I-1-273, as last amended by Laws of Utah 2019, Chapters 96 and 246

33 ENACTS:

34 **73-10h-101**, Utah Code Annotated 1953

35 **73-10h-102**, Utah Code Annotated 1953

36 **73-10h-103**, Utah Code Annotated 1953

37 **73-10h-104**, Utah Code Annotated 1953

38 **73-10h-201**, Utah Code Annotated 1953

39 **73-10h-202**, Utah Code Annotated 1953

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41 *Be it enacted by the Legislature of the state of Utah:*

42 Section 1. Section **63I-1-273** is amended to read:

43 **63I-1-273. Repeal dates, Title 73.**

44 In relation to the Legislative Water Development Commission, on January 1, 2021:

45 (1) in Subsection 73-10g-105(3), the language that states "and in consultation with the
46 State Water Development Commission created in Section 73-27-102" is repealed;

47 (2) Subsection 73-10g-203(4)(a) is repealed; ~~[and]~~

48 (3) Subsection 73-10h-201(2)(b)(ii) is repealed;

49 (4) in Subsection 73-10h-201(2)(c) the language that states "and the Legislative Water
50 Development Commission" is repealed; and

51 ~~[(3)]~~ (5) Title 73, Chapter 27, State Water Development Commission, is repealed.

52 Section 2. Section **73-10h-101** is enacted to read:

53 **CHAPTER 10h. WATER LOSS ACCOUNTING ACT**

54 **Part 1. General Provisions**

55 **73-10h-101. Title.**

56 This chapter is known as the "Water Loss Accounting Act."

57 Section 3. Section **73-10h-102** is enacted to read:

58 **73-10h-102. Definitions.**

59 As used in this section:

60 (1) "Covered entity" means the owner or operator of a public water system that serves a
61 population of more than 3,300 individuals.

62 (2) "Division" means the Division of Water Resources.

63 (3) "Public water system" means the same as that term is defined in Section 19-4-102.

(4) (a) "Water loss" means the difference between the annual volume of water entering a water distribution system and the annual volume of metered water, unmetered water, or both taken by registered customers, the covered entity, and others who are implicitly or explicitly authorized to take water.

(b) "Water loss" includes:

(i) the annual volumes lost through leaks, breaks, and overflows on mains, service reservoirs, and service connections, up to the point of customer metering;

(ii) unauthorized consumption;

(iii) metering inaccuracies; and

(iv) systemic data handling errors.

Section 4. Section **73-10h-103** is enacted to read:

73-10h-103. Rulemaking.

The division shall make the following rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and after consultation with the technical advisory committee:

(1) the selection of the method of conducting a water loss audit under Subsection 73-10h-201(1)(a)(i);

(2) the standards and processes for validating a water loss audit; and

(3) the establishment of the standards and processes for submitting a water loss accounting report under Subsection 73-10h-201(1).

Section 5. Section **73-10h-104** is enacted to read:

73-10h-104. Technical advisory committee.

(1) The division shall establish a technical advisory committee that may include representatives of nonprofit civic entities, professional organizations, covered entities, and other state agencies.

(2) The technical advisory committee may assist or advise the division with implementing this chapter.

Section 6. Section **73-10h-201** is enacted to read:

Part 2. Water Loss Accounting Reporting

73-10h-201. Water loss accounting reports.

(1) By no later than a date specified in rule in calendar year 2022, and on or before the

95 date specified in rule of each subsequent year, a covered entity shall:

96 (a) prepare a water loss accounting report that contains the following:

97 (i) a standardized water loss audit conducted in accordance with a method selected by
98 the division by rule that meets industry standards; and

99 (ii) a brief written summary of:

100 (A) actions taken during the reporting year to reduce the volume of water losses in the
101 system and to improve the data validity; and

102 (B) the actions that are planned for the subsequent reporting year;

103 (b) have the water loss audit validated in accordance with rule; and

104 (c) submit the water loss accounting report in accordance with rule.

105 (2) (a) By no later than October 31, 2022, and by October 31 of each subsequent year,
106 the division shall:

107 (i) prepare an annual summary of the validated water loss accounting reports; and

108 (ii) publish the annual summary prepared under this Subsection (2) on the division's
109 website.

110 (b) During the 2022 interim of the Legislature, the division shall report the annual
111 summary and report on compliance with this chapter by covered entities to the:

112 (i) Natural Resources, Agriculture, and Environment Interim Committee; and

113 (ii) Legislative Water Development Commission.

114 (c) During the 2024 interim of the Legislature, the division shall report to the Natural
115 Resources, Agriculture, and Environment Interim Committee and the Legislative Water
116 Development Commission about the following:

117 (i) issues related to accurately metering water supply and use, including residential use
118 of primary or secondary water;

119 (ii) operational priorities of covered entities related to implementation of this chapter;

120 (iii) an analysis of the annual summaries prepared by the division to date; and

121 (iv) any other issue the division considers relevant to the implementation of this
122 chapter.

123 (3) A covered entity may only receive money from the division if the covered entity
124 complies with this section.

125 Section 7. Section **73-10h-202** is enacted to read:

73-10h-202. Technical assistance -- Education programs and services.

(1) The division shall contract with a qualified entity that provides education programs and services including subject matter experts to provide the training described in Subsection (2).

(2) The training shall:

(a) instruct a covered entity on the method of conducting a water loss audit using the method adopted under Subsection 73-10h-201(1)(a)(i);

(b) guide a covered entity in the process to determine a plan for water loss control as required in the development of a summary report required under Subsection 73-10h-201(1)(a)(ii); and

(c) include the initial validation of a water loss audit required by Section 73-10h-201.

Section 8. Appropriation.

The following sums of money are appropriated for the fiscal year beginning July 1, 2020, and ending June 30, 2021. These are additions to amounts previously appropriated for fiscal year 2021. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the Legislature appropriates the following sums of money from the funds or accounts indicated for the use and support of government of the state of Utah.

ITEM 1**To Department of Natural Resources - Division of Water Resources**

<u>From General Fund, one-time</u>	<u>\$1,350,000</u>
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Schedule of Programs:

<u>Planning program</u>	<u>\$1,350,000</u>
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The Legislature intends that the \$1,350,000 be used as follows under the Water Loss Accounting Act enacted by this bill:

(1) \$900,000 to provide for technical assistance and education to covered entities; and

(2) \$450,000 to develop a validation program for water loss audits including training of individuals to conduct validations.

ITEM 2**To DNR Pass Through**

<u>From General Fund, one-time</u>	<u>\$150,000</u>
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Schedule of Programs:

157	<u>DNR Pass Through</u>	<u>\$150,000</u>
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158 The Legislature intends that the \$150,000 be used to integrate information from water
159 accounting reports with existing water related reporting requirements as recommended by the
160 technical advisory committee under the Water Loss Accounting Act enacted by this bill.

161 ITEM 3

162 To Department of Natural Resources - Division of Water Resources

163	<u>From General Fund</u>	<u>\$300,000</u>
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164	<u>From General Fund, one-time</u>	<u>(\$300,000)</u>
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165 Schedule of Programs:

166	<u>Planning program</u>	<u>\$300,000</u>
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167 (\$300,000)

168 The Legislature intends that the \$300,000 be used to pay the ongoing expenses of the
169 Water Loss Accounting Act enacted by this bill.